

JUSTIFICATION FOR AN EXCEPTION TO FAIR OPPORTUNITY

1. Contracting Activity: Department of Veterans Affairs (VA)
Office of Acquisition Operations
Technology Acquisition Center
23 Christopher Way
Eatontown, NJ 07724
2. Description of Action: This proposed action is for a firm-fixed price delivery order to be issued under the National Aeronautics and Space Administration (NASA) Solutions for Enterprise-Wide Procurement (SEWP) V Governmentwide Acquisition Contract (GWAC) for the procurement of AppDynamics software maintenance and support services for previously purchased AppDynamics Pro Edition Server Software Licenses.
3. Description of Supplies or Services: VA Office of Information & Technology, IT Operations and Services, Service Operations, Enterprise Command Operations, Austin Information Technology Center has a requirement for software maintenance and support services for 1,030 previously purchased AppDynamics Pro Edition Server Software Licenses. AppDynamics Pro Edition is server-side performance management software that manages complex business-critical applications by detecting business impact and performance spikes, isolating bottlenecks in application performance, and identifying root cause within complex code. The software maintenance and support services will provide for on-line or telephone technical support services available 24 hours per day, seven days per week, 365 days a year (24x7x365) as well as unlimited Application performance management agents and extended Data Retention. The Contractor shall provide bug fixes and periodic software updates and upgrades including major releases and minor updates/patches. The maintenance is required to ensure the software remains operational. No software will be renewed or procured under this action. The period of performance (PoP) is 12 months. [REDACTED]
[REDACTED]
4. Statutory Authority: The statutory authority permitting this exception to fair opportunity is Section 41 U.S.C 4106(c)(2) as implemented by Federal Acquisition Regulation (FAR) 16.505(b)(2)(i)(B) entitled, "Only one awardee is capable of providing the supplies or services required at the level of quality required because the supplies or services ordered are unique or highly specialized."
5. Rationale Supporting Use of Authority Cited: Based on market research, as described in section 8 of this justification, it was determined that limited competition is available among federal registered partners for maintenance and support services for previously purchased AppDynamics Pro Edition server software licenses. The original equipment manufacturer (OEM) only allows federal registered partners to provide the maintenance and support services for the AppDynamics Pro Edition

server software licenses. VA's only requirement is to continue current maintenance and support services for AppDynamics Pro Edition server software. In order to provide the software maintenance support, including software updates and upgrades, access to AppDynamics' proprietary source code is required. This code is required to develop and push out updates and to ensure all the services provided are properly configured. In addition, no other server license maintenance is compatible with or interoperable with the existing AppDynamics Pro Edition server licenses due to AppDynamics proprietary database structures, protocols and software application programming interfaces. This lack of interoperability, such as the ability of a different vendor's agent to communicate with another vendor's data collector, is standard throughout the performance monitoring industry. AppDynamics server license software maintenance is the only software maintenance that meets the Government's requirements.

6. Efforts to Obtain Competition: Market research was conducted, details of which are in section 8 of this justification. This effort did not yield any additional sources that can meet the Government's requirements. It was determined, however, that limited competition is viable among federal registered partners for the required maintenance and support services. In accordance with FAR 5.301 and 16.505(b)(2)(ii)(D), the award action will be synopsized and the justification will be made publicly available within 14 days of award on the Federal Business Opportunities page. Additionally, in accordance with FAR 16.505(a)(4)(iii)(A)(2), this justification will be provided with the Request for Quotation to all NASA SEWP V GWAC holders.
7. Actions to Increase Competition: The Government will continue to conduct market research to ascertain if there are changes in the marketplace that would enable future actions to be fully competed.
8. Market Research: Government technical experts conducted market research during July 2018 by reviewing similar software products and services to ascertain if these items could meet VA's requirements. Specifically, the Government's technical experts conducted web-based research on other commercial products including Dell Foglight and Arcturus Applicare software. Any other brand name solution, such as these two, would require its own proprietary source code and infrastructure that would not permit seamless integration into VA's existing server system. The alternative products and services cannot meet the AppDynamics maintenance support needs required by VA because only AppDynamics or a federal registered partner has access to the aforementioned proprietary source code needed for software maintenance and support services.

Additional market research was conducted to determine if limited competition is available among resellers. The NASA SEWP V GWAC Provider Lookup Tool was also utilized on August 8, 2018 to search for AppDynamics resellers. The search yielded 33 resellers including nine Service-Disabled Veteran-Owned Small

Businesses. There is reasonable expectation that limited competition exists on the NASA SEWP V GWAC for AppDynamics maintenance.

9. Other Facts: None